

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 923 - SB 779

March 7, 2019

SUMMARY OF BILL: Converts the Department of Transportation's (TDOT) Construction Manager/General Contractor Services (CM/GC) pilot program into a fully authorized project delivery method. Prohibits TDOT to initiate more than five CM/GC contracts in any one fiscal year. Requires TDOT to identify, in its annual Transportation Improvement Program to the General Assembly, any proposed CM/GS contract that has a total estimated contract amount in excess of \$70,000,000.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Public Chapter 366 (2013) established the "Tennessee Department of Transportation Contracts for Construction Manager/General Contractor Services Pilot Program," which allowed the Department to engage in an alternative procurement procedure for certain transportation projects performed.
- According to information provided by TDOT, the current process of contracting with a consulting engineer for design services and going through a bid letting process for a contract with a construction contractor is substantially similar to the established process under the pilot project. As a result, continuing to conduct this method of procurement will not result in a significant fiscal impact to the state.
- Any expenditures incurred for the selection committee will be not significant.
- Compiling and presenting a detailed report to the General Assembly will not result in a significant increase in expenditures and can be accommodated within existing resources without an increased appropriation or a reduced reversion.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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